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FTA NEWS

FOOD, TOBACCO, AGRICULTURAL AND ALLIED WORKERS UNION OF AMERICA

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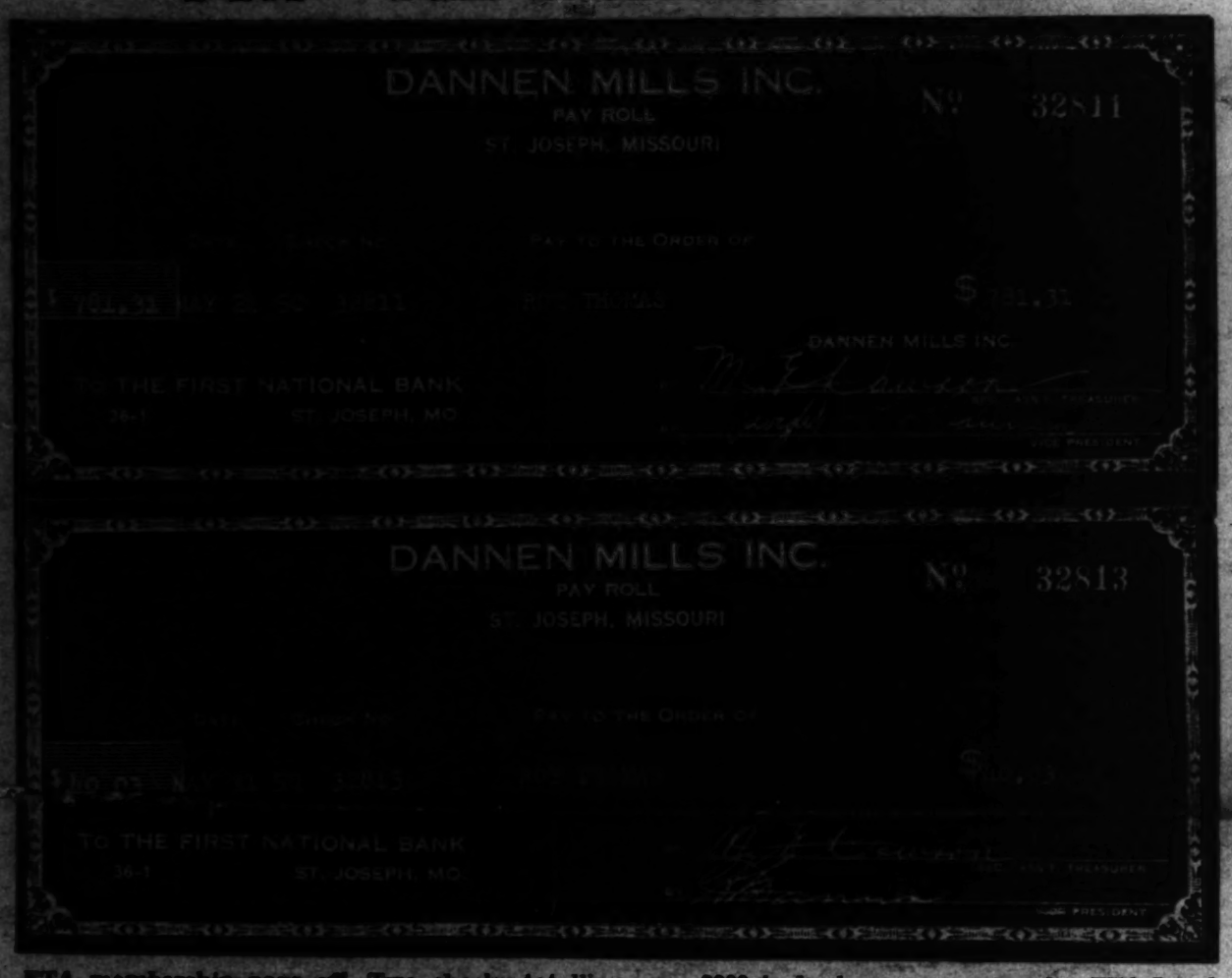
FTA — Fair Treatment for All



FTA membership pays off. Two checks totalling over $800 in back pay were won for FTA Local 125 member Roy Thomas in the Quaker Oats plant at St. Joseph, Mo. Brother Thomas was fired and the union took his case through grievance machinery and then to arbitration. Members of the grievance committee are James Nichols, president of 125, Tony Underwood, Raymond Schenk, Leland Newey and James H. Walsh, local business agent.

FTA Greets New Workers

Before they even got off the ship, Filipino agricultural workers recruited in Hawaii for work in the Salinas, Calif. lettuce fields are met by members of FTA Local 7. Newly arrived workers get a helpful leaflet telling them about prevailing wages and working conditions. FTA Local 7 is the west's strongest organization of agricultural workers, has led a long and successful campaign to improve conditions for the field workers.

Local 64 Votes FTA Union Shop by 4 to 1

Following up their smashing defeat of CIO raiders last month, members of FTA Local 64, Van Camp Seafood workers, San Diego, Calif., voted by four to one for a union shop with FTA. The score:

Total votes cast	**753**
For FTA union shop	**597**
Against	**156**
Challenged or void	**15**

In the May election that smashed an ambitious CIO raid on the local, FTA got 518 votes to CIO's 298 from a total of 829 cast and 877 eligible.

Thus Local 64 picked up an additional 79 votes in the union shop contest, while the negative vote dropped by 142.

The local is now in negotiations for a new contract with an overwhelming demonstration of strength for FTA against all attempts to divide and confuse the workers.

The local is asking for a substantial wage increase, more paid holidays and vacations, longer seniority, pensions, sick benefits and hospitalization, and many other gains. One of the main demands is for protection against loss of jobs through introduction of new machinery.

Local 64, which has held its contract at Van Camp since 1937, already has the highest U. S. cannery wage.

FTA 22 Calls Politicians Bluff On Unemployment

"The mayor and the aldermen and the tobacco and textile bosses have another think coming if they think they can close the questions of layoffs, speedup and unemployment that easy."

This was the bluff-calling answer to the mayor and the aldermen of Winston-Salem, N. C. by the rank and file of FTA Local 22, when they got only a tirade of redbaiting when they called on the city fathers to do something about the serious situation in the tobacco empire.

"Hundreds of citizens of this city suffer from the lack of jobs today, and the governing authorities of the city and state are going to have to do something about it."

The group of Reynolds workers had called on the mayor and the aldermen two weeks ago, presenting facts about layoffs and consequent suffering and asking them to act. The mayor's "answer" was a long harangue about the Daily Worker, a Communist newspaper, which, he claimed, had "identical" views on the subject.

He added that "the subject was closed" at the end of the oration. FTA rank and filers know different, however. They know that the terrific speedup, the wholesale firings, especially of Negro women workers, are causing great suffering among Winston-Salem workers, and they know that something will have to be done. They intend to see that it is.

Join the CIO—And Watch Your Contract Go (Phttt!)

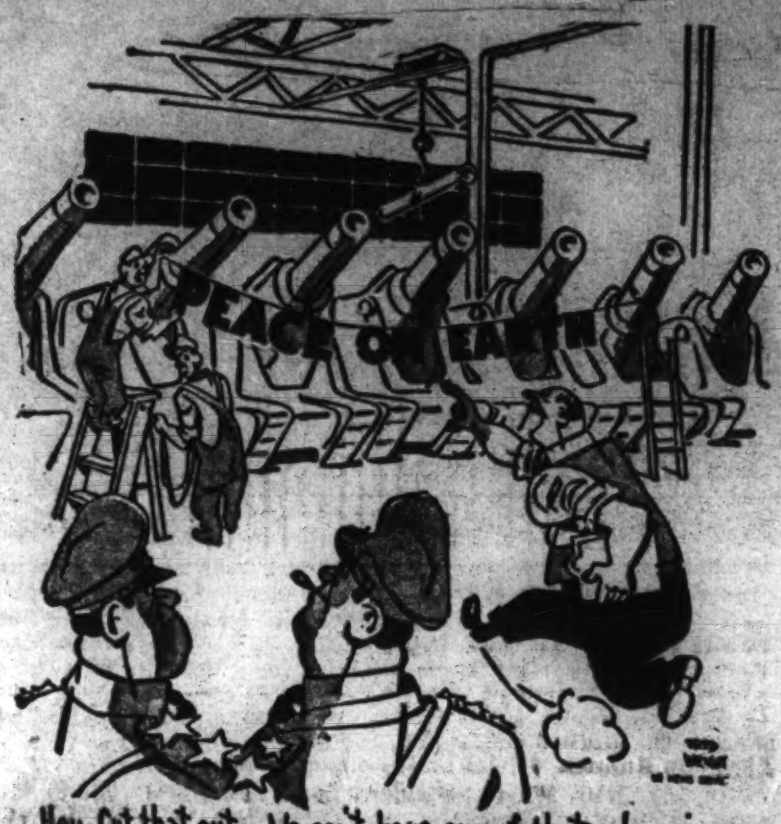
Join the CIO Brewers and watch your contract go—out the window—if the top brass on the executive board thinks its demands on the boss are "exorbitant."

Never mind that your local, if you're unlucky enough to be in the Brewers instead of FTA, has won a swell agreement with everything in it you have asked for. If the Brewers board thinks its "unjustifiable," out it goes.

You don't believe it? Look at page 28, subsection (c) of the CIO Brewers constitution, which says:

"(c) In the opinion of the General Executive Board, should demands made in the contracts be exorbitant or unjustifiable, such changes as are deemed necessary shall be made by the General Executive Board before the contracts are endorsed."

That's what the thing says.



Hey, Cut that out.... We can't have any of that subversive propaganda around here!

Advertising in the U.S. passed the five billion dollar mark last year, making it one of the biggest "industries" in the country. Advertising is now one of the free enterprise giants of the land, ahead of many others in "value." Yours is the workers who make trifling things like food and tobacco for people to eat and use should feel properly humble. You don't rate anywhere near as high as the immortal genius who composed the first singing commercial.

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The former chairman of the unAmerican committee of Congress went to jail for chiseling on Uncle Sam's payroll. Now it is alleged that the law partner of the present chairman took a fee fogetting a compensation bill for a crippled constituent. This week the unAmerican committee announced that anyone who refused to answer committee questions on his private beliefs would be cited for contempt of Congress. As the top-sergeant used to say: "Wipe that opinion off your face!"

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But the latest word in cover-ups goes to the New Orleans School Board, which is up to its neck in a scandal involving horsemeat in hotdogs served to the kids as a school lunch. The woman who revealed the scandal, the school board says is a "non-citizen" and furthermore her union "criticizes everything." If she doesn't like the horsemeat here, send her back where she came from (it happens to be a suburb of New Orleans).

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Here's a cute note from the Washington, D.C. U.S. Employment Service, which is supposed to find jobs for workers and not tear down wages and conditions. Says the District USES to prospective employers of young people: "Give yourself (the employer) a boost by utilizing the pep and vitality of these youths to replace regular employees on vacation OR TO SET A FASTER PRODUCTION PACE IN YOUR ORGANIZATION." Or, more frankly, hire from us and you can speed up all your workers.

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The CIO trials go drearily on. One of the latest victims is the American Communications Assn., which had for prosecutor a renegade former member who seceded and set up a dual union in the industry. The union Harry Bridges heads is also on triel, one of the counts being that it was against Japanese aggression before Pearl Harbor. The Fur and Leather workers provided a mild anti-climax by refusing to attend their trial. They must have felt with the rest of the country that the play was a turkey, the script dull and the actors hams.

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Possibly redbaiting is reaching what the economists call the point of diminishing returns, which in plain language means it doesn't pay so well any more. The CIO News recently had to write columns and columns in answer to a reader who asked why they went on screaming about the "red menace" long after the great purge. Somebody ought to remind them of what Lincoln said, about how you can fool some of the people all of the time and all of the people some of the time but you can't fool all of the people all of the time.

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Big time presss agent Don Knowlton, who advises corporations on publicity, thinks they ought to find a substitute for profits—for the word, that is, not the money. Seems using the nasty word leads to "misunderstanding" among the public. Maybe most workers don't understand a tricky corporation statement, but they know exploitation when they feel it—which is eight hours a day and more in the peak season.

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"Television programs make morons," educator says. Perhaps he just got his sentence structure a little mixed up. Should read: "Morons make television programs."

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Like the man said, you can't make a fool out of me. Somebody was here before you.

Let's Look at the Record

By C. W. Fowler

Both the CIO and the AFL are reported to be having a hard time collecting the usual election year political action fund from their members.

According to the New York Times, the AFL has so far collected about three cents per head of an announced goal of $2.00 a member, and the "collections of the CIO-PAC could not be learned but they are known to be unsatisfactory."

CIO and AFL leaders are worried about the situation. They can't understand why the rank and file doesn't come through for the Truman Administration the way it did for Roosevelt in 1944.

Perhaps a little review of recent political and legislative history in the U.S.A., year 1949 and 1950, might help to clear things up for those on the anxious seat in Washington.

CIO and AFL leaders endorsed Truman for re-election in 1948, and many millions of workers and farmers voted to return him to the White House and the Democrats to control of Congress.

It was done on the basis of certain solemn pledges made to the voters. These were:

- **Repeal of the Taft-Hartley law.**
- **Enactment of a complete civil rights program, including FEPC, polltax repeal, anti-lynching laws.**
- **A national health program, low-cost housing, federal aid to education and other welfare laws.**
- **For the farmers, a guarantee of secure income while giving lower prices to worker-consumers.**

While peace was scarcely mentioned in the campaign, it too was well up in front in the voters' thinking. The subsequent defeat of John Foster Dulles, one of the most blatant of the war advocates, proved this.

Not one of the campaign pledges has been made good. More than that, in every case where these issues have come up, they have been sold out not only by the Republicans but even more by the Truman Democrats.

Taft-Hartley should, and could have been totally repealed the first week the 81st Congress opened. Instead, repeal was "compromised" to the point that compromise became sellout.

Civil rights pledges remain a bitter mockery to white and Negro worker alike, while employers continue to make super-profits from discrimination.

With the exception of mild improvements in the social security law, now in process of going through Congress, nothing whatever has been done to make the Truman welfare program a reality.

These are the reasons why the leaders of CIO and AFL are having such difficulty collecting on political contributions.

There is, of course, a way out of this difficulty. That is for the leaders of the CIO and the AFL to come back to the program—particularly that of the CIO—that once won the support of millions of workers, white and Negro, men and women alike. A return to support of the programs and policies that FDR stood for would do the trick.

Meanwhile — and let's hope it's not too long a meanwhile—the rank and file of FTA and every other union will have to assert itself politically without accepting the apron strings that tie both CIO and AFL so firmly to the major political parties.

Rank and file political action, on the local, community, state and national issues that affect all workers will have to make up for the defection of certain leaders.

Union such as FTA, which represents the interests of millions of the most exploited and abused people in America, must take the lead from the demagogic politicians and the time-servers in the labor movement.

It's been done before. It can be done again.

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Five hundred delegates, including a large group from FTA and from the Farmers Union, attended the Progressive Conference for Jobs, Peace and Civil Rights in York, Pa., first such statewide meeting to be held in the nation.

Reject 70 Year Limit

A company proposal that workers stay on the job up to 70 years of age was rejected by FTA Local 80, Campbell Soup, Camden, N. J.

After discussion the the regular membership meeting, the local rejected the plan on these grounds:

- Unemployment is increasing.
- Younger men and women should have an opportunity to find jobs.
- The retirement age, rather than being extended from 65 to 70, should be cut down to 55 with adequate pensions and increased social security for all.

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The Seafarers Intl. Union (AFL), which has repeatedly treid to raid FTA on the West Coast, has been found guilty of discrimination against Negro workers, and of refusing to do anything about it. The finding was made by the N. Y. State Commission Against Discrimination, an official body.

Other Side of the Picture

U. S. government spokesmen, from the President on down, keep assuring us that the American people never had it so good. They point with pride to 60 million jobs and the profits of business and draw the comforting conclusoin that there just can't be another depression.

If you look only at the 60 million jobs and the profits, you might concude that they're right. That's a lot of jobs—and especially a lot of profits.

But if you take a look in another direction, you see a different story. By the government's own admission, there are officially nearly five million unempoyed. The actual figure is probably close to six and a half million. Half a million young people are going to graduate from high schools and colleges this month—without much prospect of jobs.

Speedup and new machinery are displacing workers, permanently, by the thousands every month. A vicious drive is under way to force Negro workers out of jobs, and especially to force Negro women workers back into kitchen slavery at $4 a week. Discrimination by the bosses was never more flagrant, while the Truman Administration and the Republicans make a mockery of FEPC.

Hundreds of thousands of workers are rapidly using up all their unemployment compensation. After that, they have nowhere to turn except to what is grimly called "relief."

Here the local and state authorities are doing their best to lower the already miserable living standards the poor and the destitute are forced to accept when they go on relief.

Relief allowances have been cut in New York and Pennsylvania, to mention only two of the leading industrial states in the U. S. For many millions of unemployed people, relief does not exist at all.

The "prosperity" that government spokesmen boast about comes largely from war preparations. Like all such false prosperity, it is bound to collapse—unless a shooting war intervenes.

Ten percent of the working force unemployed, Negro workers pushed back into degradation, no jobs for youth—that's the other side of the picture shown by our official leaders.

It isn't a pretty one.

FTA NEWS

Food, Tobacco, Agricultural and Allied Workers Union of America

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Southern Locals Confer On Workers' Problems

By Larry Larsen

Forty delegates of the FTA held a conference representing workers from Texas, Louisiana, Alabama, Arkansas, Mississippi, Tennessee, and Kentucky met here in Memphis, Tennessee at Local 19 FTA headquarters to map plans to meet the problems of the workers employed in the agricultural processing industries of the South such as cotton oil, cotton compressing, feed, grain, etc.

Foremost among the problems discussed were wages, working conditions in the plants, FEPC, unemployment, civil rights, and peace and the struggle for rank and file labor unity and political action to win the demands of the workers for peace, jobs, and security.

Donald Henderson, administrative director and Robert Lathan, vice-president of FTA took an active part in the conference.

Henderson and Lathan both spoke on issues facing the workers. They pointed out that we must take the lead in building a mass movement for peace and security for the American people. They pointed out that the national leaders of CIO and AFL have sold out their membership to the Wall Street policy of Truman administration.

They pointed out that civil rights are being taken away from the American people and mostly the Negro people and minority groups.

There was a broad discussion from the delegates on all the issues. Bro. Earl Fisher, delegate from Local 19 FTA reported on his trip to Chicago, attending the conference for Negro rights. The main issue that was discussed was the growing need for Negro and white unity behind a real progressive program. Negro delegates from a railroad union told the conference that they were being pushed out of the industry after many years of service. The same was true in other unions such as auto, steel and rubber.

Delegates from Local 75 FTA, Houston, Texas, reported on their struggle for civil rights. Local 75 with other groups formed a picket line in front of Woolworth Store demanding the hiring of Negro sale clerks and won this fight.

Leaders from Local 309, Louisiana, reported that they too have played a leading role in defense of the Negro people and especially the case of Jugger Washington. This case was appealed to the U.S. Supreme Court.

Delegates from Mississippi reported the vicious discrimination against the Negro people and they too are not taking this lying down. And so it was reported from Alabama, Arkansas, and Kentucky.

Each local union pledged to start a campaign for a peace petition drive and also for a broad mass movement behind this campaign. Local 19 FTA Memphis, pledged 3,000 names.

Resolutions were passed singling out FTA for pioneering organization in areas of the country such as Miss., Ark., Ala., and other Southern states and for many gains won for better living conditions and new hope for freedom for the most oppressed workers under the most adverse conditions. Praise and support was declared "for the consistent policy of struggle by FTA in face of raiding, disruption and expulsion by present day National CIO leadership."

Price of CIO—50c an Hour

It is costing the workers at the American Snuff Co. in Memphis, Tenn., just 50 [illegible] hour to learn the difference between a CIO union and the fighting FTA.

The story was told by Pres. James H. Pate of FTA Local 150, where the FTA contract brings them $1.00 an hour minimum and $1.70 top. American Snuff workers, under CIO, get only an 84 cent minimum and a $1.20 top.

American Snuff workers were taken in by CIO propaganda during a raid. Now they know that CIO lies profit only one person—the boss.

Here FTA Local 110's executive board, now leading the union's fight for a wage increase and other benefits from the Quaker Oats Co. in Cedar Rapids, Ia. Seated, from left are Recording Secy. Mae Davis, Business Agent Mervin Myers, President Wes Kopecky, Chief Steward of Men Max Netolicky and of Women, Ramon Tefer. Standing: Trustees Harold Kelso, Charles Gifford, Frank Hoffman, Sgt. at Arms Frank Ross, vice-Presidents Elmer Medinger and Ed Directos.

Valdes Ill

Armado Valdes, secretary-treasurer of FTA, is seriously ill with a severe heart attack, suffered while at work.

Brother Valdes recently returned from the hospital, but must rest in bed at home for at least four to six weeks.

Durng Valdes' illness, the National Officers decided that his work would be carried on by Donald Henderson, national administrative director of the union.

"We urge that you do not take up any business matters with Armando because of his serious condition," the officers said in a letter to all locals.

"All business matters should be taken up with Brother Henderson."

No CIO For Us, Charleston Says

"Tobacco workers have no business in a steel workers union," in the opinion of Delphine Brown, 15 years at American Tobacco in Charleston and seven years a member of FTA Local 15.

"I walked the picketline along with other members of FTA Local 15 for five and a half months to build a strong FTA union and we are not going to let nobody break up our union."

Lillian Martin, 18 years in the plant, says it this way: "We now enjoy six paid holidays, paid sick leave and a pension plan because of FTA. This nonsense we hear from a few disrupters that the CIO steel workers can do more for us than FTA makes me laugh."

Don't bother with "gremlins," says Lula Wright, seven years in FTA Local 15. "Personally I'm sticking to FTA Local 15 because it gets things done the American way."

And John Cummings: "Since 1943 (when FTA came in) we have been living that better life and I know we are glad to be affiliated to a fighting organization like FTA."

The CIO Steel Workers Union raid isn't doing so well in Charleston.

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Farm income throughout the U.S. fell 17 percent in 1949, is expected to fall another 10 percent in 1950. Meanwhile the Brannan plan, which would guarantee a stable farm income while lowering prices to consumers, still marks time in Congress.

Delegates at the FTA conference held this week in Local 19 headquarters at Memphis, Tenn. Front row, seated: Blance Belford, 19, Earl Fisher, 19, Natl. Director Donald Henderson, vice-Pres. Robert Lathan, Intl. Rep. Larry Larsen, 19 President John Mack Dyson, Elizabeth (last name not supplied), 309, 75 Pres. R. H. Smith, 75 Chief Steward Oliver Lockridge. Second row: N. Knight, 75, Brother Woods, 19, Wm. Bell, 19, F. Thomas, 19, Chiers Abromes, 309, Brother Golden, 98, Joe Wynn, 19, R. Richardson, 75, Abraham Runnels, 75, John Johnson, 150. Third row: Troy Applewhite, 180, John Wayt, president Local 180, Carter, 75, B. Williams, 309, Dave Connors, 309, Brother Sanders, 129, Alanzo Treby, 309, James Pate, president 150, W. Russel, 150, Hardy Scott, 75.

Unity, Jobs, Peace Keynote FTA Meeting

Unity and support for "the militant, progressive and democratic program of FTA", the fight against speedup in the plants and a unanimous demand for peace and a ban on use of the atom bomb marked the FTA Region 1 conference held in Philadelphia this week.

Nearly seventy-five delegates from a dozen locals sat through two days of sweltering heat in an overcrowded room to map out the program and to discuss common problems. In keeping with FTA tradition, every delegate took part in the discussions and every delegate took a place on a committee.

Blaming the split in the CIO squarely on the top leaders in Washington, the delegates said in their first resolution: "The national CIO leaders, by insisting on their dictatorial policy of conform or get out, have split the CIO. We in FTA have fought for the right of our membership and our union to carry out the policies democratically adopted by our own members."

The delegates resolved to continue this basic FTA policy, and to cooperate with all unions "accepting this basic militant and progressive program. When CIO returns to this program on which it was originally built, we shall be glad to work for a new and greater unified CIO."

On peace and the outlawing of atomic weapons, the delegates unanimously called for outlawing use of the bomb and the branding of "any country, no matter which, that first uses atomic weapons for warful purposes as a criminal and aggressor before the world."

A considerable part of the conference was taken up with a discussion of speedup, which almost the delegates reported must be increasing rapidly in their plants. In the resolution on the subject, the delegates said:

"Speedup is the employer's method of increasing profits at the expense of the worker. It is also a method of breaking unions as used to drive down wages and conditions won over years of struggle.

"We recommend that each local set up a Labor Standards Committee and demand joint control in the control of speedup and the introduction of new machines.

"Every effort must be made in negotiating contracts and in daily union grievance work to protect our members from the harmful effects of speedup and labor-displacing machinery."

The conference issued a call for unity among democratic, progressive unions, saying: "We urge our national leadership to take every possible step to achieve cooperation with all other progressive unions with programs and principles similar to our own.

"This cooperation and coordination should take place on all levels of work, local, regional and national. We recommend that some form of national and local councils or committees be established to aid all of us in our mutual problems and struggles.

For FTA, Cigar Workers Pledge In Council Meet

American Tobacco Co. workers "have won contracts second to none in the cigar industry through organization and struggle in FTA Locals 15, 56 and 186," and for this reason are sticking to FTA, delegates to the American Tobacco Council meeting said in Philadelphia this week.

"Today the employers in the cigar industry are trying to destroy these hard-won gains and return to sweatshop conditions that prevailed before FTA organized them," they said in an unanimous resolution on organization.

"This all-out bosses' offensive against the workers is being aided and abetted by officials of the CIO and AFL, who are now trying to raid FTA Local 15 in Charleston, Local 56 in Trenton and 186 in Philadelphia."

To meet this boss-inspired attack on union wages and conditions, the American Tobacco workers voted to "unite 100% behind FTA in coming campaigns to improve contract conditions already won through FTA Locals 15, 56 and 186."

They also voted to "condemn and reject all attempts, whether by leaders of CIO, by employers or any other individuals or groups to weaken our union and cause cigar workers to lose contracts and conditions won through FTA."

FTA Wins 6-8c Raise

Workers at the Pacific Grape Products Co., Modesto, Calif., have just won a six to eight cents an hour increase through FTA Local 82, Business Agent Dave Forbes reports.

The increase is retroactive to April 1, 1950. The night shift bonus of five cents an hour remains in effect as do other provisions of the conrtact.

South African Workers Tell of Fight Against Fascist Race Laws

Workers in South Africa are now in a life and death struggle with fascism, expressed in laws that make virtual slaves of millions of Negro people and would also suppress all forms of democratic organization, including unions.

Some time ago the Editor of FTA News wrote to the Food and Canning Workers' Union there, telling something of the difficulties and achievements of FTA.

The following letter from Miss Ray Alexander, secretary Food and Canning Workers' Union, 102 Union House, Queen Victoria St., Capestown, South Africa, was received in reply:

"Your letter was read to a branch delegates conference of our union. Our union expressgreat enthusiasm for your union, your work and your achievements.

"We note the struggle you are having with the CIO. Our union has always revered the CIO for the work it has done in organizing the masses of the workers in America. It is with very great disappointment that we note the turn it has taken for reaction and lining up on the side of the big money against the workers' interests.

"We, like you, have our labor traitors. We are now facing very serious legislation in our country, namely the Unlawful Organizations bill. **(A summary of the bill was enclosed, showing that it outdoes even the Mundt-Nixon bill in viciousness against workers' organizations. Ed.)**

"Now, more than ever, we need the support of the international working class men and women, in the fight against fascism in our country.

Trusts's Grip on Press Admitted by Publisher

It isn't always that newspaper publishers tell the facts about their business, but sometimes when they get together among themselves they let their hair down and confess all, or nearly all.

Such an occasion was the recent meeting of the American Newspaper Publishers Assn., when one of the boys gave a report on the growth of monopoly in the newspaper business. Said Wm. Dwight, publisher from Holyoke, Mass., one of the sessions:

"When I entered the newspaper business in 19[illegible] tically any city of a [illegible] a market had more [illegible] as daily newspaper ow[illegible] one other words, com[illegible]ership. In ations prevailed, itive situ-

"Today 93.5 cities have percent of the of their single ownership 95 publi[illegible] newspapers. Only tive s[illegible]tions have competitions."

In still other words, one dictates what the people read in their daily papers 93.5 percent of U.S. cities "of any size as a market"—which means anything over 15,000 population.

Here are some more figures, from **Editor & Publisher**, the trade journal of the newspaper bosses. According to this source, more than 700 daily papers were killed in the U.S. since 1929. This is 40 percent of the number of dailies published now. There were 2,600 dailies in the U.S. in 1909; 1,944 in 1929, 1,888 in 1939 and only 1,780 by 1950.

By the end of 1949, big advertisers were spending half a billion dollars a year in newspaper advertising. Prominent among the 10 biggest advertisers were three firms whose workers are organized in FTA—R. J. Reynolds Tobacco Co., Procter and Gamble (cotton oil), General Foods.

There was more advertising than news, as measured by column inches, in the U.S. press in 1949.

Paste that in your hat for ready reference the next time your local paper uncorks a blast on FTA or any other union.

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The Committee to Aid Migrant Workers, headed by FTA veteran Harry Kroger of San Antonio, Tex., has petitioned the U.S. government to use food "surpluses" to feed hungry agricultural workers rather than destroying them.

HERE ARE YOUR FACTS:

The Phony Boomlet

As the stock market skyrockets to 20-year highs, administration spokesmen trumpet that "an era of dynamic progress is under way." But the sober-minded, remembering how Hoover's "new era" was climaxed by the 1929 crash, question what has been called the "ambiguous boom."

The fact is the present boomlet is a phony. Production is high but the disparities between the various sectors of the economy are increasing. During the first five months of 1950 the volume of durable goods production increased about 5 percent but the output of non-durable goods failed to rise at all.

This uneven picture reflects the boom in autos which is not paralleled by a similar boom in clothing, textiles and other non-durables. Record-breaking auto production and the boom in residential housing are the driving force behind the present boomlet.

Consumer buying of homes and automobiles is based on an unprecedented increase in mortgage debts and installment loans. For that matter, the present level of consumer purchases is based on nothing down and a mortgage on future purchasing power. The mortgage debt has more than doubled since the end of the war. This year alone the mortgage debt will increase by a record $7½ billion.

This piling-up of consumer debt is anything but a sound foundation for the boomlet. It accounts for the high level of durable goods production, but durable goods output can fall more rapidly than it has increased, when the chock of increasing consumer credit is pulled from under it.

Credit Crash

The lack of stability in the present situation is highlighted by an evaluation of the factors behind the present boomlet.

The increase in consumer debt has artificially shored up purchasing power. But there is a limit to what families can do in the way of mortgaging their future earnings. Moreover, the prices of houses and cars are sky-high and sooner or later effective demand for them will peter out.

While installment buying has been holding up purchasing power, government expenditure for the cold war have been cutting down buying power through high taxes and high prices.

Taxes take a big chunk out of the people's take-home pay. And government purchases of critical materials, the rearmament program and Marshall plan expenditures keep prices high and show signs of setting off another inflationary wave of price increases.

Real estate and basic commodities are soaring. Steel scrap — and important price barometer — is now selling at the record high of over $46 a ton, compared with the wartime ceiling of $20. Other metals, wool and lumber have recorded the same kind of sensational price increases.

The boomlet has plenty of weak spots and these weak spots are getting weaker. Unemployment, although there were recent seasonal declines, is tending to grow despite the high level of production. Price increases are reducing the purchasing power of take-home pay.

As in 1929, the stock market ignores these weak spots. It is betting on what lies immediately ahead rather than on the basic trends within the economy.

Profits are high and are increasing. Dividends are growing larger. So Wall Street is in the midst of another roaring bull market.

But as in 1929, the prophets of the coming "era of dynamic progress" have their eyes on Wall Street speculation and not on the maldistribution of income and the lag of wages behind profits. The new era boys led the American people to disaster in 1929.

LOCALS ELECT

Newly elected officers of FTA Local 80 are: Daniel Harkins, pres. Wm. Downing, Mary O'Brien, 1st & 2nd vice-pres. Anthony Valentino, bus. agent; Frank Di Malo. treas. Jos. Colangelo, rec. secy. Jos. Gallo, fin. secy. Ambler Bailey sgt. at arms, Benj. Butler, chief steward; Geo. Dance, Elsie Bonner, Alfred Paglione, Warren Morris, Ever Ame Mason, Ruby Powell, trustees.

For Local 194: John Gallecher, pres. Henry Gistover, James Moore, 1st & 2nd vice-pres. Thomas Nelson, Louise Hodges, 3rd & 4th vice-pres. Veronica Kryzan, secy-treas. Josephine Chlupsa, rec. secy.

U.S. Survey Shows

Living Standards Still Dropping for 10 Million

The lot of the 10 million lowest income families in the U. S. is continuing to get worse, the latest report of the joint Congressional economic committee indicates.

The committee staff found that demands of foreign markets and domestic expenditures for war purposes are likely to taper off and emphatically recommended that something be done to increase the purchasing power of the lowest 1/5 of Americans. Only then will the gap created by declining foreign and war markets be met, the staff declared.

Citing the report covering 1948 in which the low income subcommittee found that 1/5 of American families receive substandard incomes, the report declares, "a surprisingly large number of families fall short of full participation in American prosperity, even in years of full employment."

"These families, possibly as high as 10 million in number," the report continues, "consist largely of those headed by aged persons, by unskilled and semiskilled city workers, by farmers in disadvantaged areas of the country, by migratory agricultural workers, by disabled persons; likewise, broken families.

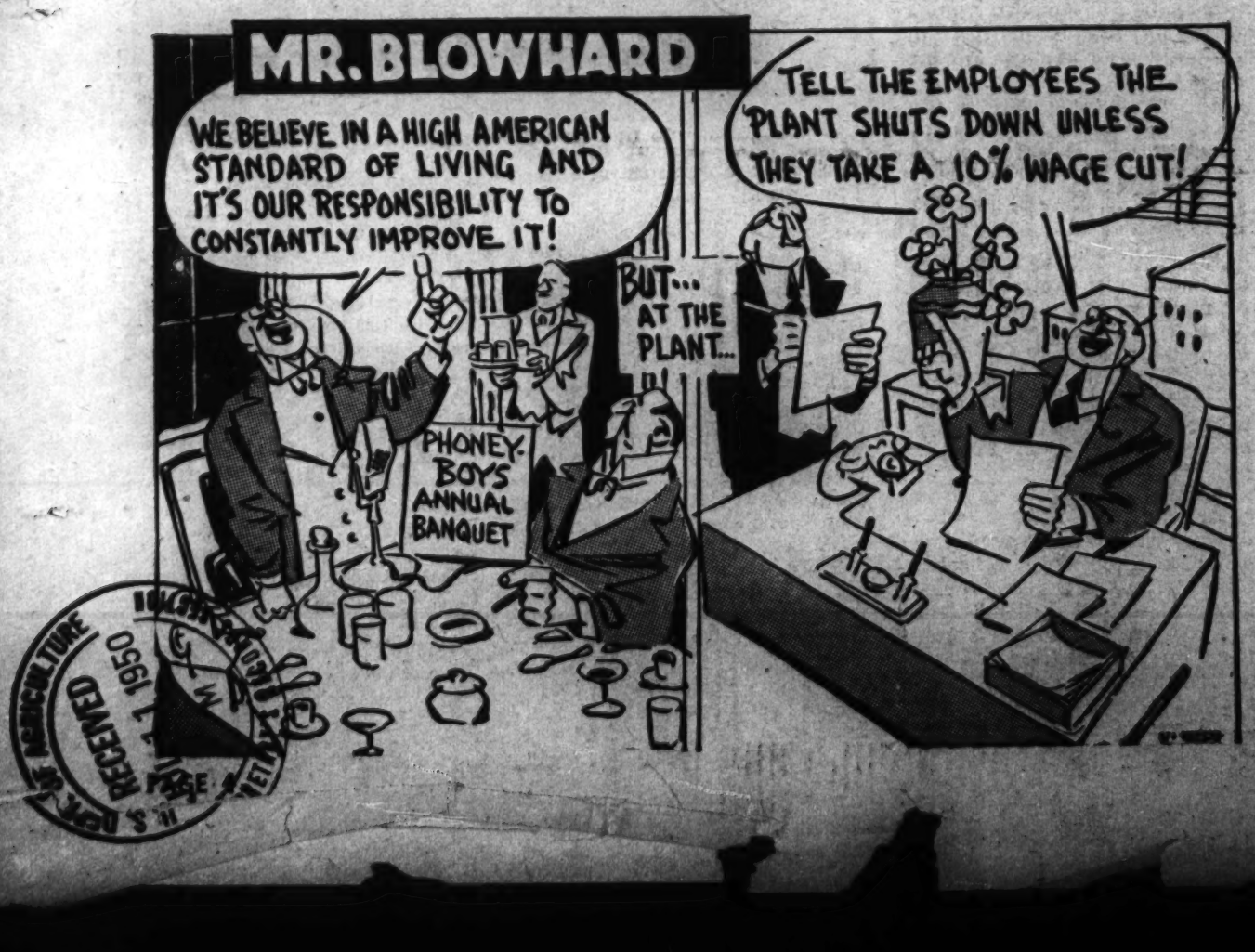
"The entire group may contain as much as 1/5 of the nation's children. Bringing these families within our national circle of full employment, production and consumption is a major task which requires the concerted action and full cooperation of local communities."

Although personal consumption rose in 1949 to 69 percent of the gross national product, the report states, "all income groups may not have been equally fortunate.

"A study by the board of governors of the Federal Reserve system indicates that the lowest fifth of the nation's spending units, while actually breaking even in 1945 and suffering negative savings amounting to 8 percent of the net savings of the nation in 1946 were dissaving to the extent of 13 percent in 1947 and 24 percent in 1948.

"On the other hand note that the top fifth of the nation's spending units incomewise, saved an amount equal to 64 percent of all net savings in 1945, 79 percent in 1946, 93 percent in 1947, and 99 percent in 1948. In short, if the lower 4/5 of the income units are lumped together they on balance did only 1 percent of the net savings. They received 53 percent or slightly over half of the total income.

"Corroborating the indication above that the status of low income groups is steadily deteriorating are some figures on holdings of savings bonds which include data for 1949. About 80 percent of the spending units with incomes below $1,000 had no U. S. savings bonds at all."


MR. BLOWHARD
WE BELIEVE IN A HIGH AMERICAN STANDARD OF LIVING AND IT'S OUR RESPONSIBILITY TO CONSTANTLY IMPROVE IT!
PHONEY BOYS ANNUAL BANQUET
BUT... AT THE PLANT...
TELL THE EMPLOYEES THE PLANT SHUTS DOWN UNLESS THEY TAKE A 10% WAGE CUT!
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